

Copley News Chain Denies Employees Worked for CIA

United Press International

Penthouse Magazine charged today that 23 employees of Copley News Service had worked simultaneously for the CIA and that the service "for years was operated in significant part as an arm of the Central Intelligence Agency."

Copley News Service executives said there was no truth in the allegations. They were preparing a detailed rebuttal based on the full article released today.

The charges were made in an article in the August issue of the magazine written by Joe Trento, 29, an unsuccessful candidate last year in a primary race for Congress as a California Democrat, and Dave Roman, a former San Diego newsman.

They quoted Gene Gregston, a former editor of the San Diego Union — the Copley flagship newspaper — as telling them that the Copley News Service "was never run to make money; it was an ego thing for Jim Copley, and the CIA wanted it."

PENTHOUSE SAID that its charges were denied by Victor Krulak, a former Marine Corps lieutenant general, who retired from the Copley organization in June. But the magazine said Krulak "qualified his denial, though, by stating that he could not speak for individuals or stringers who worked for CNS."

"After a year-long investigation," a Penthouse news release said, "the magazine learned that 23 employees of the Copley News Service (CNS) had worked for the CIA simultaneously; that the CNS published articles on its wire services to enlist public support for CIA activities; that CNS provided information to the CIA about Latin American activities; and that the late James S. Copley, publisher and sole owner of the Copley Press, 'acted on behalf of the CIA in a number of serious efforts to influence foreign governments.'"

Penthouse said it learned from Copley Press reporters and photogra-

phers that Krulak, together with Frank Price "his security consultant," ran "a system of intelligence-gathering for the FBI in San Diego."

THE MAGAZINE said that the relationship between Copley and the government was inspired by a meeting between Copley and President Dwight Eisenhower "for the purpose of supplementing CIA activity."

Charles Ohl, Copley's executive news editor and managing editor, said in a telephone interview yesterday: "We never have had any connection with the CIA." A spokesman at Copley's San Diego headquarters said he had not seen the Penthouse article but was aware it would be published.

During his campaign, Trento charged a relationship existed between Copley and the CIA. He said Copley's Latin American editor, William Giandoni, provided information to the CIA on Guatemala.

Referring to Trento's charges last year, Ohl said, "We issued pretty much of a blanket denial. We never have had any connection with the CIA."

Ohl said Giandoni, the news agency's Latin American editor in San Diego, had written the CIA in 1950 volunteering his services while working as a reporter in Mexico.

Giandoni told UPI: "I got a form letter back telling me they had nothing available. And that was it."

KRULAK, REACHED at his home at Vorrego Springs, Calif., said Trento had made allegations against him last year of "some sort of linkage with the CIA."

"So far as any allegations that may be in the article that relate me to the CIA," he said, "I can deny them categorically because they are false. I never worked for the CIA in all of my life."

A CIA spokesman declined comment, citing the agency's 18-month-old policy against using any full- or part-time employees of U.S. news organizations.